

Guide for Review of Eligibility and National Objective			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding**."

Instructions: A state is required to demonstrate that each activity it has funded meets a national objective [pursuant to section 104(b) of the Housing and Community Development Act of 1974, as amended, ("the Act") and 24 CFR 570.483 of the State CDBG regulations] and is eligible [per sections 105(a) and (c) of the Act and the State CDBG regulations at 24 CFR 570.482]. While a specific state system is not required, the HUD reviewer must determine that a state is funding activities that are eligible, meet a national objective, and (where applicable) comply with public benefit standards. Where the reviewer samples a number of project files to test a state's implementation of its process, the Eligibility and National Objective Review Worksheet included in this section should be used. For economic development activities, the reviewer should use this Exhibit in conjunction with Exhibit 4-2, which covers compliance with the public benefit and underwriting requirements.

The HUD reviewer has the discretion to cite 24 CFR 570.493(b) for Findings of Noncompliance related to the lack of documentation and 24 CFR 570.489(d) for Findings of Noncompliance related to missing or inadequate state administrative controls and procedures. (Note: The term "applicant" as used in this Exhibit refers to units of local government applying for CDBG funds from a state.)

Questions

A. PRE-APPROVAL – ELIGIBILITY & NATIONAL OBJECTIVES

1.

Describe the state's means to determine eligibility of activities.
Describe Basis for Conclusion:

2.

Describe the state's means for determining if an activity meets a national objective.

Describe Basis for Conclusion:

3.

Has the state established standards for determining whether activities are eligible and meet national objectives?

☐

Yes

☐

No

Describe Basis for Conclusion:

4.

If the state has chosen to adopt the Entitlement CDBG eligibility regulations for use in its program, are the standards in conformance with these regulations?

☐

Yes

☐

No

☐

N/A

[Section 104(e)(2) of the HCDA and 24 CFR 570.200(a)(1)]

Describe Basis for Conclusion:

5.

Is there a method for communicating standards to applicants?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

6.

Is there a process for checking applications to verify the accuracy of information submitted by an applicant in its funding request?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

7.

Does the state question applications for CDBG funds where sufficient data are not available or should be verified?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

8.

Does the state's method ensure that all applications requesting CDBG funds are reviewed consistently?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

9.

How does the state document its eligibility and national objective determinations for applications? [24 CFR 570.482 and 24 CFR 570.483]
Describe Basis for Conclusion:

10.

a. Is there a process by which higher-level management reviews eligibility and national objective determinations?	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

b. If the answer to "a" above is "yes," are there specific situations that trigger such reviews?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

11.

Is there any pattern which suggests that higher-level management regularly reverses lower-level determinations of eligibility/national objectives?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

12.

Is there any evidence that activities are funded despite documented determinations that the activities are ineligible and/or don't meet a national objective? [24 CFR 570.482 and 24 CFR 570.483]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

13.

What is the state's method for maintaining a count on the total amount of funds benefiting low-and moderate-income persons for the period selected? [24 CFR 570.484]
Describe Basis for Conclusion:

B. POST APPROVAL – ELIGIBILITY AND NATIONAL OBJECTIVES

14.

Describe the state's method to determine whether or not activities carried out are the same eligible activities and meet the same national objective as those approved.

Describe Basis for Conclusion:

15.

Describe how the state is implementing this method.

Describe Basis for Conclusion:

16.

Describe the state's process for reviewing and approving project amendments.
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Describe Basis for Conclusion:

17.

a. Describe the state's standards for determining when it is necessary to have a project amendment.	
Describe Basis for Conclusion:	

b. Is the state applying these standards consistently?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

18.

Based on the results of your review, has the state demonstrated that the projects it funds are eligible and meet a national objective? [Section 104(b) of the Act and 24 CFR 570.483; sections 105(a) and (c) of the Act and 24 CFR 570.482]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

State CDBG Program

Eligibility and National Objective Review Worksheet			
Name of Program Participant			
Name(s) of Reviewer(s)		Date	

Name of Recipient, Staff Consulted and Activity Funded	Eligibility determined "OK" by state?	National Objective determined "OK" by state?	Public Benefit* determined "OK" by state?	Are data adequate to support determinations?	Were determinations reviewed by state management?	Do you agree with state determinations?
Recipient/Staff consulted:						
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Recipient/Staff Consulted:						
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Recipient/Staff Consulted:						
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

* This Exhibit is to be used in conjunction with Exhibit 4-2 for economic development projects that are monitored.

Exhibit 4-1
State CDBG Program

6509.2 REV-5